

1 STATE OF OKLAHOMA

2 2nd Session of the 54th Legislature (2014)

3 HOUSE BILL 2432

By: Perryman

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5  
6 AS INTRODUCED

7 An Act relating to landlord and tenant; amending 41  
8 O.S. 2011, Section 115, which relates to security  
9 deposits; providing for civil penalty; and providing  
10 an effective date.

11 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

12 SECTION 1. AMENDATORY 41 O.S. 2011, Section 115, is  
13 amended to read as follows:

14 Section 115. A. Any damage or security deposit required by a  
15 landlord of a tenant must be kept in an escrow account for the  
16 tenant, which account shall be maintained in the State of Oklahoma  
17 with a federally insured financial institution. Misappropriation of  
18 the security deposit shall be unlawful and punishable by a term in a  
19 county jail not to exceed six (6) months and by a fine in an amount  
20 not to exceed twice the amount misappropriated from the escrow  
21 account. In addition to the criminal penalty, a landlord in  
22 violation of this section shall be subject to a civil penalty of  
23 three times the amount of the misappropriated security deposit.  
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1       B. Upon termination of the tenancy, any security deposit held  
2 by the landlord may be applied to the payment of accrued rent and  
3 the amount of damages which the landlord has suffered by reason of  
4 the tenant's noncompliance with this act and the rental agreement,  
5 all as itemized by the landlord in a written statement delivered by  
6 mail to be by return receipt requested and to be signed for by any  
7 person of statutory service age at such address or in person to the  
8 tenant if he can reasonably be found. If the landlord proposes to  
9 retain any portion of the security deposit for rent, damages or  
10 other legally allowable charges under the provisions of this act or  
11 the rental agreement, the landlord shall return the balance of the  
12 security deposit without interest to the tenant within thirty (30)  
13 days after the termination of tenancy, delivery of possession and  
14 written demand by the tenant. If the tenant does not make such  
15 written demand of such deposit within six (6) months after  
16 termination of the tenancy, the deposit reverts to the landlord in  
17 consideration of the costs and burden of maintaining the escrow  
18 account, and the interest of the tenant in that deposit terminates  
19 at that time.

20       C. Upon cessation of a landlord's interest in the dwelling unit  
21 including, but not limited to, termination of interest by sale,  
22 assignment, death, bankruptcy, appointment of receiver or otherwise,  
23 the person in possession of the tenants' damage or security deposits  
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1 at his option or pursuant to court order shall, within a reasonable  
2 time:

3 1. Transfer said deposits to the landlord's successor in  
4 interest and notify the tenants in writing of such transfer and of  
5 the transferee's name and address; or

6 2. Return the deposits to the tenants.

7 D. Upon receipt of the transferred deposits under paragraph 1  
8 of subsection C of this section, the transferee, in relation to such  
9 deposits, shall have all the rights and obligations of a landlord  
10 holding such deposits under this act.

11 E. If a landlord or manager fails to comply with this section  
12 or fails to return any prepaid rent required to be paid to a tenant  
13 under this act, the tenant may recover the damage and security  
14 deposit and prepaid rent, if any.

15 F. Except as otherwise provided by the rental agreement, a  
16 tenant shall not apply or deduct any portion of the security deposit  
17 from the last month's rent or use or apply such tenant's security  
18 deposit at any time in lieu of payment of rent.

19 G. This section does not preclude the landlord or tenant from  
20 recovering other damages to which he may be entitled under this act.

21 SECTION 2. This act shall become effective November 1, 2014.

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23 54-2-9412 LRB 12/23/13

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